

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF TENNESSEE
AT KNOXVILLE

IN RE:

BRAUN PROPERTIES, LLC,

No. 3:12-bk-35013

CHAPTER 11

Debtors.

AFFIDAVIT OF RICHARD F. RAY


STATE OF TENNESSEE

COUNTY OF KNOX

The affiant, being over the age of eighteen (18) and otherwise competent to testify, deposes and says from his personal knowledge as follows:

1. Affiant is Richard F. Ray.
2. Affiant is a Tennessee licensed CPA.
3. Attached is Affiant's *curriculum vitae*.
4. To the best of my knowledge, I do not hold any interest adverse to the estate and am a disinterested person within the meaning of 11 U.S.C. § 101(14).
5. I was retained by the Debtor initially as financial advisor and then as restructuring officer. I have been engaged to review and analyze financial matters and render advice on the financial matters and maintenance of the Chapter 11 proceeding on behalf of the Debtor.
6. Prior to the petition being filed, I received \$1,750⁰⁰ in payment for prepetition services related to the Chapter 11 case.

FURTHER AFFIANT SAITH NOT.



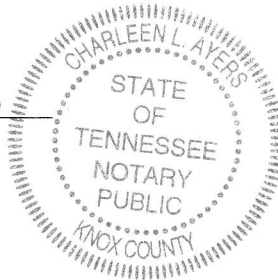
RICHARD F. RAY
P. O. Box 938
Jonesborough, TN 37659
(423) 426-3449

Dated: January ¹⁷16, 2013

STATE OF TENNESSEE
COUNTY OF KNOX

Appeared before me, the undersigned, a notary public in and for the state and county aforesaid, Richard F. Ray, with whom I am personally acquainted or who proved to me his identity by satisfactory evidence, and who, after being duly sworn according to law, testified that the statements made in the foregoing Affidavit are true and correct to the best of his knowledge, information, and belief.


NOTARY PUBLIC



My commission expires: 4-1-13

**Curriculum Vitae
Richard F. Ray
Certified Public Accountant
Accredited in Business Valuation
Certified Forensic Financial Analyst
Certified Fraud Examiner**

Certifications

Certified Public Accountant, Active Status 1981-present.
Accredited in Business Valuation, Active Status 2007-present.
Certified Forensic Financial Analyst, Financial Litigation, Active Status 2009-present.
Certified Fraud Examiner, Active Status 2012-present.

Professional Affiliations

Member, American Institute of Certified Public Accountants (AICPA).
Member, AICPA Forensic and Valuation Services Section.
Member, National Association of Forensic Economics.
Member, National Association of Certified Valuation Analysts (NACVA)
Member, Association of Certified Fraud Examiners (ACFE).

Education & Training

Masters of Accountancy, University of Tennessee, 1980.
Bachelor of Science Economics, East Tennessee State University, 1978.
Hamilton Bank Economics Student of the Year Award, 1978.
Tennessee House of Representatives Legislative Intern, 1977.

Completed AICPA, ACFE, or NACVA courses in bankruptcy, forensic services/fraud, technology, accounting, auditing, business valuation, distressed business valuation, lost profits & personal damages. Completed American Management Association core courses in Strategic Planning, Mergers & Acquisitions.

Consulting Experience

Financial Consulting Services: April 2006 – Current.

Principal, Tria Financial: January 2009 - Current.

www.TriaFin.com

Consulting services for businesses requiring development or restructuring strategies. Litigation services as expert witness or consultant in business valuation, forensic accounting, bankruptcy, and personal & business damages conclusions.

Management Experience

Chief Financial Officer, MEDex Regional Laboratories, LLC, Jan 2003 – March 2006.

Led the Chapter 11 filing 98 days into employment as CFO of a \$35 million revenue clinical reference laboratory. Led financial efforts in the turnaround of \$1 million per month loss into positive operating cash flow within 6 months. Provided quarterly reports to Board of Directors and testimony to the Bankruptcy Court. Assisted Trustee in Section 363 business sale and liquidation of accounts resulting in an approximate \$17 million estate paying 67 cents on unsecured claims.

Richard F. Ray

Curriculum Vitae

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Chief Financial Officer, General Shale Products Corporation, 1988-2001.

Chief Financial Officer, Marley USA, parent of General Shale Products Corp, 1991-1999.

Financial responsibility for growing General Shale to a 36 location \$280 million revenue company. Financial responsibility for the \$450 million / 5 strategic business unit USA Division of Marley plc (London exchange) prior to divestiture in 1999. USA business development responsibility leading to 15 acquisition/divestiture asset or share deals totaling \$941 million.

Public Accounting Experience

Seven years "Big 4" public accounting experience, rising to Audit Manager, Price Waterhouse, Johnson City, TN. Areas of audit emphasis: process manufacturing: building materials, steel manufacture & fabrication, pharmaceuticals and retail, privately and public held.

Bankruptcy, Receiver & Forensic Accounting Experience

United States of America v Glenn S. Martin, Jr. Case 2:930cv-317 United States District Court, Eastern District of Tennessee at Greeneville.

Appointed Receiver on December 20, 2012. Plaintiff asserts Defendant has diverted assets contrary to his obligation to pay ordered damages. Case is on-going

Braun Properties, LLC, Debtor Case 3:12-bk-35013 US Bankruptcy Court for the Eastern District of Tennessee, Knoxville

Appointed by the Debtor as Chief Restructuring Officer, December 1, 2012. Case is on-going.

John McGuire Packard, Debtor. Case 3:12-bk-32778 US Bankruptcy Court for the Eastern District of Tennessee, Knoxville.

Appointed Chapter 11 Trustee October 4, 2010. Individual DBA retail game & movie sales, 20 locations in 3 states. The case is on-going.

Trumpet Properties, Inc., Debtor. Case 3:11-bk-35652 US Bankruptcy Court for the Eastern District of Tennessee, Knoxville.

Appointed Chapter 11 Trustee April 10, 2012. Motel operations by a Debtor within a complex family owned corporate structure. The case involves unusual pre-petition transfers to related entities, and is on-going.

RaceDay Center LLC v RL BB Financial LLC. Case 2:11-CV-17 US District Court for the Eastern District of Tennessee, Greeneville.

Appointed Receiver March 2, 2011, prior to a foreclosure sale, to operate rented condominiums and a campground during the Spring race at Bristol Motor Speedway.

Fallon Luminous Products Corporation, Debtor. Case 09-35581 US Bankruptcy Court for the Eastern District of Tennessee, Knoxville.

Appointed Chapter 11 Trustee February 8, 2010. The Debtor is part of a complex corporate organization owned by Lincolnshire, a large private equity group. The case centered on a patent infringement judgment, vacated and remanded upon appeal, post-petition; subsequently tried in Bankruptcy Court. A plan of reorganization was confirmed March 3, 2011.

Glenn S. Martin, Jr., Debtor. Case 08-52631 US Bankruptcy Court for the Eastern District of Tennessee, Northern Division, at Greeneville.

Appointed Chapter 11 Trustee March 2, 2009. The case required in-depth forensic accounting relative to multiple fraudulent transfers, involving multi-state tobacco related operations. Continued as Trustee post conversion to Chapter 7. This case is on-going.

Richard F. Ray

Curriculum Vitae

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MEDEX Regional Laboratories, LLC Case #03-31932 US Bankruptcy Court for the Eastern District of Tennessee.

Served as Debtor in Possession Chief Financial Officer from April 2003 – March 2004. Continued as CFO under the direction of Chapter 11 Trustee C. McRae Sharpe until March 2006 and thereafter on a consulting basis. The case involved complex conflict of interest situation involving parent company status as secured (DIP) lender, landlord, primary customer and Section 363 bidder. Responsible for: Statement of Affairs, Monthly Operating Reports, Preference analysis, Resolution of Executory Contract Claims (real and personal property), secured claim collateral analysis, Debtor valuation analysis, financial loss calculation relative to fiduciary crime claim, business sale road show, assistance in the preparation of the Disclosure Statement and Plan of Liquidation, Distribution calculations and schedules.

Sherwood Metal Products, Inc. vs. Scott Wade Applegate Adv. Proc. No. 04-2036 Scott Wade Applegate, Debtor. Case 04-20862, US Bankruptcy Court for the Eastern District of Tennessee. Provided forensic accounting evaluation for a secured creditor regarding preference transactions between Debtor and complex network of Debtor owned companies, leading to a denial of potentially discharged debt.

Paradise Valley Holdings, Inc. Case 03-34704, US Bankruptcy Court for the Eastern District of Tennessee.

Provided forensic accounting assistance to the Chapter 7 Trustee in evaluation of certain preference transactions.

Price Waterhouse. While in public accounting, provided testimony to the Federal Bureau of Investigation relative to alleged fraudulent practices (relative to inventory valuation) of a business in the coal industry.

Business Valuation Experience

Provided valuation conclusions on 20 engagements or projects involving enterprise, equity or intangible asset valuations. Recent assignments include:

University Dental Associates, Partnership. Dental Practice valuation associated with partnership dissolution, November, 2011.

Katherine Hart v John Tennence Hart, Knox County Chancery Court; No. 180944-1. Appointed Court's own witness regarding business valuation of a business provided public transport mapping services across the United States. September, 2011

Robert B. Carter, Jr. v. Teresa Wagoner Carter, Hawkins County Chancery Court at Rogersville, Case #17129. Court appointed expert providing a combined business valuation opinion under an Agreed Order as the court's own witness, August 2010. The businesses operated in internet based sales and financing of durable consumer products.

Goodwin v Goodwin, Divorce Proceedings in Circuit Court, Blount County, Tennessee. Expert witness: Valuation engagement regarding a steel fabrication business, January 2009.

Blue Ridge, LLC. Valuation of a family owned real estate investment company, August 2008.

Nypro, Inc., Calculation engagement regarding certain intangible assets, relative to acquiring control of a joint venture, January 2008.

Richard F. Ray

Curriculum Vitae

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Business and Personal Damages Experience

Borla v Universal Tool & Engineering. Washington County Law Court #27603. Expert witness for defense, analysis of plaintiff's lost profits claims.

U.S. v Roger Ritch E.D. Tenn. 4:09-CR-37-002. Litigation Consultant for Plaintiff, relative to identification and analysis of certain Defendant transactions associated with the case.

Seaver, et al. v Langenbrunner, Washington County Tennessee Chancery Court Civil Action No. 37016. Expert witness testimony for plaintiff providing a lost profits conclusion relative to a partnership dissolution, August 2011.

Glenn S. Martin, Jr., Debtor. Case #08-52631 US Bankruptcy Court for the Eastern District of Tennessee, Northern Division, at Greeneville.
Trustee/Plaintiff in four separate Adversary Proceedings heard in Bankruptcy Court relative to Lost Profits associated with fraudulent transfers. 2009-2012.

Martha Maze et vir. v. Widener Insurance Agency, Inc. et al., Johnson City Law Court for Washington County, No. 24120. Expert witness report for defense, analysis of plaintiff's lost profits claims.

Samuel G. Hurd and Penny Hurd v. Shawn T. Dolan, Law Court for Sullivan County, at Kingsport, TN Docket No C36896. Expert witness report for defense, analysis of plaintiffs' personal injury and lost profits claims, relative to a lawn maintenance business.

In the Claims Commission for the State of Tennessee,, Eastern Division: Demitrus Tyler, A child under 18 years of age, Wayne Tyler, Kelly Cook, and Thunder Norris b.n.f. Kelly Cook, Claimants, v. State of Tennessee, Defendant. Case # 20050569
Expert witness for plaintiff in wrongful death of an infant.

Business Interruption Damages: Provided business interruption claim calculations for (1) damages to motel operation arising from power failure, 2012, and (2) damages to a manufacturing facility caused by earthquake, 1989.

Civic and Community

Past President, Vice President and Secretary of Rotary Club of Johnson City.
Rotary Foundation Grants Vice-Chair, Rotary District 7570 (Virginia-Tennessee)
Past Elder, First Presbyterian Church
Past Member of Holston Presbytery Administrative Committee.
Past Committee Chair, Boy Scout Troop 36, Johnson City.

Personal

Married, 26 years. Three children.
Resides in Jonesborough, TN